



# THE PARAVIEW



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## 2014 ANNUAL SEMINAR WRAP-UP



Another successful MPA annual seminar was held on Thursday, February 27 at what has become our venue of choice, the Omni Uptown. Speakers this year included:

- Dre Fleury of Crumley Roberts, LLP, who spoke on Personal Injury law;
- Sabrina Winters, private practitioner, who spoke about Estate Planning;
- Karen Schaede, private practitioner, who spoke on HIPAA's legal ramifications;
- Robert McCarter of the Council for Children's Rights, who spoke on the legal representation of children;
- Jeffrey Jacobs of Document Technologies, Inc., who spoke on litigation readiness; and
- Scott Mansfield of Chicago Title Insurance Company, who was this year's lucky Ethics presenter.

Special thanks to Jen Sawtell-Day and Renae Elam for handling the lion's share of coordinating these speakers. Along with some help from the MPA Board of Directors, Jen and Renae have done an excellent job of finding new speakers and topics for the last several annual and fall seminars. Their efforts are greatly appreciated.



## HELPFUL WEBSITE: SPRING 2014 SELECTION



Join the Best Eating Site on Earth!

**FoodieCall**  
Your Hookup for Great Food

ORDER ONLINE NOW! Home - About Us - Rewards & Referral Program

FAQ's Service Area Gift Certificates

Feed me now

**Service Area** where you can make a foodie call

Our service area now covers most of Charlotte! We have plans to continue expanding over time. For now, if you are interested in a delivery outside of the initial service area, we will try to accommodate you depending upon location and size of order. Deliveries outside of the service area will be coordinated on a case-by-case basis.

With almost 50 participating restaurants vying to deliver you a meal in the uptown area, this site almost makes me wish I had to work late ALL THE TIME. Almost.

## HELPFUL APPS



Application	Platforms	Cost
Black's Law Dictionary	iPhone, Android	\$54.99
USLegal's Legal Terms	iPhone, Android	FREE
Paralegal CLE	iPhone, Android	FREE
Angry Birds	iPhone, Android	FREE

## KNOW YOUR LEGAL TERMS

*Chinese walls* are used in law firms when one part of the firm, representing a party on a deal or litigation, is separated from another part with contrary interests or with confidential information from an adverse party. In the United States, it is considered unethical, and is sometimes illegal, for members of the same law firm to represent both sides of a legal conflict regardless of whether the individuals communicate about the case. To do so is considered a conflict of interest and can result in disciplinary action against the attorney or the firm that employs him or her.

## CALLING ALL COOKS!

The 2014 NALA Convention is fast approaching and MPA has volunteered to compile a recipe book that will go into 350+ "welcome bags" for the convention attendees.



We've decided on a Southern theme for the recipe book and need you send in your favorite Southern Dish recipes! Appetizers, Main Dishes, Side Dishes & Desserts... all are welcome!



*If you would like to share a recipe for the book, please submit **NO LATER** than **May 15, 2014**, via email ([phigdon@rbh.com](mailto:phigdon@rbh.com)). Please attach the recipe in Word Format, as we may need to edit (font type, font size, etc.) and put **RECIPE** in the subject line of your email submission.*



**LET'S SHOW ANY YANKEES COMING TO CHARLESTON HOW FOOD SHOULD TASTE!**

## PRACTICE AREA SPOTLIGHT: BANKRUPTCY LAW

There are many words in the English language that evoke negative feelings. Bankruptcy is one of them.

### PERSONAL BANKRUPTCY



#### **Chapter 7 Bankruptcy**

Under the U.S. Constitution, a citizen has the ability to relieve all or part of their debts if they can no longer meet their financial obligations to creditors and lenders. Consumers have two types of personal bankruptcy options available to them: Chapter 7 bankruptcy allows debtors to discharge all or part of their debt and Chapter 13 bankruptcy allows debtors repay all or part of their debt through a payment plan. Under Chapter 7 bankruptcy, an individual can have all or part of their debts discharged after their liquid assets are used to repay some of the debt. Liquid assets are assets that can quickly be converted into cash, e.g. checking and savings accounts. Some of your liquid assets (also called "non-exempt assets") must be turned over to the courts to be distributed among your creditors as partial repayment of the debt you owe. Assets that cannot be used to repay creditors are called exempt assets. States have laws that dictate which liquid assets are non-exempt and which are exempt. After any non-exempt liquid assets have been distributed to the filer's creditors, any remaining debt is discharged and the filer is no longer liable for any debt discharged. Furthermore, neither creditors nor third-party collectors can attempt to collect these debts from the individual.

To qualify for Chapter 7, one must pass a means test proving that their income is less than the median income for their family size in their state. If you fail the means test, you will not be allowed to file Chapter 7. Instead, you can file Chapter 13. In addition to passing a means test, you must receive credit counseling from an approved credit counseling agency.

## Chapter 13 Bankruptcy

Under Chapter 13, the claimant must repay all or part of their debt through a three- to five-year repayment plan. When an individual makes their personal bankruptcy filing, they must also submit a repayment plan to the bankruptcy court. After submitting the plan, the filer begins making payments to the court, which in turn pays the creditors. This is required even if the plan hasn't been approved; in a few weeks, there will be a hearing to approve the payment plan. While creditors can object to the payment amounts, the judge makes the final decision. Once the plan has been approved, the filer will continue making payments to the court. When the Chapter 13 payment plan has been completed, any remaining debt will be discharged and the claimant will no longer be liable for these discharged debts.

An individual might choose to file Chapter 13 instead of Chapter 7 if they have secured debt, i.e. a car loan that they want to continue paying. Since Chapter 7 bankruptcy requires an individual to give up certain liquid assets, Chapter 13 might be a better option if they want to keep these assets. Furthermore, if the filer's income is above the median for their family size in their state, they will not be able to file Chapter 7 bankruptcy. According to the U.S. Bankruptcy Code, to file for Chapter 13 bankruptcy, an individual cannot have more than \$922,975 in secured debt and \$307,675 in unsecured debt. Like Chapter 7, credit counseling from an approved credit counseling agency is required.

### Celebrity Bankruptcies

Donald Trump  
Abraham Lincoln  
Mark Twain  
Mike Tyson  
Walt Disney  
M.C. Hammer  
Willie Nelson  
Larry King  
Gary Coleman  
Marvin Gaye



## CORPORATE BANKRUPTCY



### **Chapter 7**

The U.S. Securities and Exchange Commission states that under Chapter 7 of U.S. Bankruptcy Code "the company stops all operations and goes completely out of business. A trustee is appointed to liquidate the company's assets, and the money is used to pay off debt". Investors, or creditors, who take a relatively reduced risk in the company by purchasing corporate bonds forgo future earnings but will receive, at most, their specified interest payments. Equity shareholders may potentially completely recover their share of the company's retained earnings, as reflected in the stock's price. There of course is the risk that the stock may lose value. If that is the case, equity holders may not be fully compensated for the value of their shares.

### **Chapter 11**

This proceeding of the U.S. Bankruptcy Code involves the reorganization of the debtor's business affairs and assets. The company that files under Chapter 11 expects to return to normal business operations and financial health in the future. This alternative is used by corporations that need time to restructure debt that has become unmanageable. Chapter 11 gives the debtor a new start, which is dependent on its fulfillment of obligations under the reorganization plan. A Chapter 11 reorganization is the most complex and expensive of all bankruptcy proceedings and is generally undertaken only after the company has carefully analyzed and considered any and all alternatives.

Public companies usually prefer to file under Chapter 11 rather than Chapter 7 because it allows them to still run their businesses and control the bankruptcy process rather than simply turning over its assets to a trustee. Under Chapter 11, the company has the opportunity to



restructure its financial framework and attempt to return to profitably. If it fails, all assets are liquidated and paid out to shareholders.

When a company files for Chapter 11, it is assigned a bankruptcy committee that represents the interests of creditors and stockholders. This committee works with the company to develop a plan to reorganize the company and to get it out of debt. Shareholders may be given a vote on the plan, but as they are second in to all creditors, this is never guaranteed. If the company is unable to establish an acceptable reorganization plan with the committee and have it confirmed by the courts, the company's assets will likely be sold off to pay creditors.

During bankruptcy proceedings, a company's stocks and bonds usually continue trading, often at extremely undervalued prices. Shareholders will usually experience a substantial decline in the value of their shares both before and after company's bankruptcy declaration. Bonds for near bankrupt companies are usually rated as junk.

The SEC summarizes what may happen to stock and bondholders during Chapter 11: "During Chapter 11 bankruptcy, bondholders stop receiving interest and principal payments, and stockholders stop receiving dividends. If you are a bondholder, you may receive new stock in exchange for your bonds, new bonds or a combination of stock and bonds. If you are a stockholder, the trustee may ask you to send back your stock in exchange for shares in the reorganized company. The new shares may be fewer in number and worth less. The reorganization plan spells out your rights as an investor and what you can expect to receive, if anything, from the company."

#### **Top 10 Corporate Bankruptcies in American History**

Pacific Gas & Electric - \$36 billion (2001)

Thornburg Mortgage - \$36.5 billion (2009)

Chrysler - \$39 billion (2009)

Conseco - \$61 billion (2002)

Enron - \$65.5 billion (2001)

CIT - \$71 billion (2009)

General Motors - \$91 billion (2009)

WorldCom - \$103.9 billion (2002)

Washington Mutual - \$327.9 billion (2008)

Lehman Brothers Holdings - \$691 billion (2008)



## WHAT'S IN YOUR SKILL SET?



SOFT SKILLS		PRACTICAL SKILLS	
Patience		Proofreading skills	
Sense of humor		Ability to multi-task	
Coping skills		Time management	
Even temper		Problem solving	
Empathy		Notary public	
Professionalism		Organization	
Social intelligence		Writing and grammar skills	
Helpfulness		Research skills	
Self-motivation		General legal knowledge	
Common sense		Technological skills	
Intuition		Flexibility	
Ability to work with others		Oral communication skills	
Conflict resolution skills		Ability to prioritize	
Asking questions		Attention to detail	

OTHERS?




## ABSOLUTELY FREE PROFESSIONAL ADVICE!



Dear Paraview,

One of the attorneys I work for has a tenuous relationship with his assistant, and by tenuous I mean he's afraid to ask her to do anything. By default, he ends up having me handle a good many administrative assignments that take away from my billable time and usually end up putting me behind on my work. How can I politely tell him to check himself before he wrecks himself?!?

Signed,  
I Went to Paralegal School for This?

**Dear Paralegal School,  
Unfortunately you're going to have to find a new job.**

Dear Paraview,

HELP! I sit next to a human noise machine at work! It whistles, hums, mumbles, sniffles, sneezes, coughs and cracks gum unabated for hours on end! WHAT CAN I DO?!?

Signed,  
On the Edge

**Dear Edge,  
Unfortunately, you're going to have to find a new job.**



## NORTH CAROLINA LEGAL NEWS



March 26, 2014

CHARLOTTE, N.C. - A series of both fortunate and unfortunate events has led Charlotte to the point where it will soon have its fourth mayor in less than a year. Patrick D. Cannon, who was elected in November, resigned last week after his arrest by federal investigators. Cannon, a Democrat, had succeeded Patsy Kinsey, who served the remainder of Anthony R. Foxx's term after Mr. Foxx resigned to become the United States secretary of transportation.

The FBI's three year investigation that eventually led to the mayor's sudden departure from power showed that Cannon had accepted more than \$28,000 in bribes from undercover operatives by the time he became mayor in 2012, and ultimately accepted more than \$48,000 in cash, along with a trip to Las Vegas and access to an off the books luxury apartment. The complaint and criminal affidavit allege that Cannon accepted the bribes from the undercover FBI agents on five occasions, the last of which was on February 21, 2014 where Cannon allegedly accepted \$20,000 in cash in the mayor's office. Additionally, between January 2013 and February 2014, Cannon also allegedly accepted cash, airline tickets and a hotel room from undercover agents.

Charlotte officials are insistent that the extent of corruption here does not approach levels seen in other scandal-beleaguered cities. Cannon reportedly himself said, "I'm not one of those Chicago or Detroit, uh, folk". *Editor's note: No, a lot of them don't usually get caught!*

April 2, 2014

RALEIGH, N.C. - North Carolina elections officials have identified hundreds, and potentially thousands, of voters who may have voted in two states in the 2012 general election. Republican legislators on an elections oversight committee reacted to the news quickly, labeling it "shocking" and "outrageous" and calling on elections officials to investigate all possible fraud and refer potential criminal cases for prosecution. Double voting is a felony.

"That is outrageous. That is criminal. That is wrong, and it shouldn't be allowed to go any further without substantial investigations from our local district attorneys who are the ones charged with enforcing these laws," said Sen. Thom Goolsby, a Wilmington Republican. Officials reported that 765 voters whose first and last names, dates of birth and last four digits of their Social Security numbers matched exactly with a voter registered in another state and who voted in both states in 2012.

## UPCOMING AND AVAILABLE CLE OPPORTUNITIES



Date(s)	Sponsor	Location	Topics	Cost
Pre-recorded on January 16, 2014	NALA	Webinar	Paralegal "Soft Skills"	Free (no CLE credit)
Pre-recorded on December 27, 2010	Legalproductivity.com	Video	Seven Ways to Increase Productivity at Work	Free (no CLE credit)
Pre-recorded on April 24, 2013	Practicallaw.com	Webinar	Essentials of Software as a Service (SaaS) Contracts	Free (no CLE credit)
April 29, 2014	NALA	Webinar	Basic Business Organizations	\$80 (members) \$105 (non-members)
May 16, 2014	NALA	Webinar	Using Paralegals as Jury Consultants	\$80 (members) \$105 (non-members)
July 23-25, 2014	NALA	Charleston, SC	Various	\$510 (members) \$565 (non-members)



What do you call a smiling, courteous person at a bar association convention?

The caterer

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What's the difference between a good lawyer and a bad lawyer?

A bad lawyer makes your case drag on for years. A good lawyer makes it last even longer.

\*\*\*

How many lawyer jokes are there?

Only three. The rest are true stories.

## 2013-2014 MPA PATRONS

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 <p>Jeanne Carnahan, Vice President, Sales  Jeanne@nationalcorp.com  (800) 483-1140  <a href="http://www.nationalcorp.com">www.nationalcorp.com</a></p>	 <p>Metrolina Paralegal Association's  Fall Fest CLE Seminar Special!</p> <p><b>\$125 registered agent  in any state</b> <small>regularly \$169</small></p> <p>Email Terry at <a href="mailto:tburns@parasec.com">tburns@parasec.com</a>  to learn more! Fall Fest CLE Seminar  Special expires December 31, 2013.</p> <p>800.533.7272 - <a href="http://www.parasec.com">www.parasec.com</a></p>
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